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THIS IS UNEVALUATED INFORMATION

1. The international political situation has changed since [redacted] February [1954]. It is my opinion that world events, particularly the Geneva Conference, reflect that Communist China is breaking through as one of three major world powers instead of one of five. This should be taken seriously in any consideration of world problems, especially those concerning Asia. This rise in importance by China shows a sort of revolution within the Communist bloc. Moscow has lost its privilege to speak as head of the bloc and [redacted] this will have great and far-reaching results. Soviet newspapers seem to reflect Moscow's nervousness over its loss of privilege.
2. There is no evidence yet that Mao Tse-tung will become another Tito but he certainly knows that he can assume that role whenever he pleases. This is another reason for Moscow's apprehension toward its Chinese partner and has caused the Soviet leaders to support China's rise as a world power. Mao also knows that his 600 million people, hungry and backward, are not a powerful force but, on the other hand, neither the USSR nor the US will attack China. He can therefore afford to show a large amount of independence toward the USSR.
3. There are also many grievances between the USSR and China. For example, the slogan "Asia for the Asians" which the Communists raised as a

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propaganda weapon is now [early August 1954] a boomerang against the Soviets. The plane trip to Delhi and Rangoon by Chou En-lai, China's Foreign Minister, shows that a Peiping-Delhi-Rangoon axis is beginning to form. In the near future probably Indonesia will be included. The new axis will replace the old Peiping-Moscow one.

4. Another USSR-China grievance, which shows that China is like a millstone around the USSR's neck, is China's ~~urge~~ to industrialize its economy as quickly as possible. To that purpose, ~~it~~ has asked Moscow for the machinery and credit the USSR had promised. Moscow has tried but failed to fulfill its promises because of its heavy commitments to the other satellites and its own domestic needs. Moscow is also nervous about this situation and during the last year [mid-1953 -- mid-1954] has sent on three separate occasions grand ambassadors [sic] to Peiping to smooth over China's disappointment. All three visits failed.

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there is a good possibility that the US and the UK will give China some of the help it wants to separate it from the USSR. At any rate, the possibility adds pressure to Mao's demands on Moscow.

5. Finally, another Chinese grievance against the Soviets is Moscow's attempt to use the old Stalin medicine to strengthen China's dependence on the USSR, namely, to organize little wars around China's borders. China would now much rather see those little wars taking place around the USSR.

6. All the things [redacted] make the Peiping-Moscow political relationship extremely complicated. [redacted] if the Western democratic nations have sufficient farsightedness and unity, they would wisely play China's game against the USSR and thereby get Peiping away from the Moscow influence.

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